Secretary. Such rates may be established upon the basis of the committee's recommendations or other available information.

(c) At any time during or subsequent to a given fiscal period, the committee may recommend the approval of an amended budget and an increase in the rate of assessment. Upon the basis of such recommendation, or other available information, the Secretary may approve an amended budget and increase the rate of assessment. Such increase shall be applicable to all onion shipments inspected pursuant to this part during such fiscal period.

### § 958.43 Accounting.

(a) All funds received by the committee pursuant to the provisions of this part shall be used solely for the purposes specified in this part.

(b) The Secretary may at any time require the committee, its members and alternates, employees, agents, and all other persons to account for all receipts and disbursements, funds, property, or records for which they are responsible. Whenever any person ceases to be a member or alternate of the committee, he shall account for all receipts, disbursements, funds, and property (including, but not being limited to, books and other records) pertaining to the committee's activities for which he is responsible, and deliver all such property and funds in his hands to such successor, agency, or person as may be designated by the Secretary, and shall execute such assignments and other instruments as may be necessary or appropriate to vest in each such successor, agency, or person as may be designated by the Secretary the right to all of such property and funds and all claims vested in such person.

(c) The committee may make recommendations to the Secretary for one or more of the members thereof, or any other person, to act as a trustee for holding records, funds, and any other committee property during periods of suspension of this part, or during any periods when regulations are not in effect; and, if the Secretary determines such action appropriate, he may direct that such person or persons shall so act as trustee or trustees.

#### § 958.44 Reserve fund.

At the end of each fiscal period, funds in excess of the committee's expenses may be placed in an operating reserve not to exceed approximately 1 fiscal year's operational expenses or such lower limits as the committee, with the approval of the Secretary, may establish. Also, the committee, with the approval of the Secretary, may include in its budget an item for such reserve. Funds in the reserve shall be available for use by the committee for expenses authorized pursuant to §958.40. Funds in excess of those placed in the operating reserve shall be refunded to handlers. Each handler's share of such excess shall be the amount he paid in excess of his pro rata share of the expenses of the committee.

[32 FR 11261, Aug. 3, 1967]

# § 958.45 Accounting of funds upon termination of the order.

Any funds collected as assessments pursuant to this subpart and remaining unexpended in the possession of the committee after termination of this part shall be distributed in such manner as the Secretary may direct: *Provided*, That to the extent practical, such funds shall be returned pro rata to the persons from whom such funds were collected.

[32 FR 11262, Aug. 3, 1967]

#### §958.46 Contributions.

The committee may accept voluntary contributions but these shall only be used to pay expenses incurred pursuant to §958.47. Furthermore, such contributions shall be free from any encumbrances by the donor and the committee shall retain complete control of their use.

[41 FR 36196, Aug. 27, 1976]

RESEARCH AND DEVELOPMENT

### § 958.47 Research and development.

(a) The committee with the approval of the Secretary, may establish or provide for the establishment of projects involving production research, marketing research and development projects, and marketing promotion including paid advertising, designed to

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assist, improve, or promote the marketing, distribution, consumption or efficient production of onions. Any such project for the promotion and advertising of onions may utilize an identifying mark which shall be made available for use by all handlers in accordance with such terms and conditions as the committee, with the approval of the Secretary, may prescribe. The expenses of such projects shall be paid from funds collected pursuant to \$958.42 or \$958.46.

- (b) In recommending projects pursuant to this section the committee shall give consideration to the following:
- (1) The expected supply of onions in relation to market requirements;
- (2) The supply situation among competing areas and commodities;
- (3) The anticipated benefits from such projects in relation to their costs;
- (4) The need for marketing research with respect to any market development activity; and
- (5) The need for a coordinated effort with USDA's Food Marketing Alert or other similar programs.
- (c) If the committee should conclude that a program of research or development should be undertaken, or continued, in any crop year, it shall submit the following for the approval of the Secretary:
- (1) Its recommendations as to the funds to be obtained pursuant to §958.42 or §958.46;
- (2) Its recommendation as to any research projects; and
- (3) Its recommendation as to promotion activity and paid advertising.
- (d) Upon conclusion of each activity, but at least annually, the committee shall summarize and report the results of such activity to its members and to the Secretary.

[41 FR 36196, Aug. 27, 1976]

#### REGULATION

#### § 958.50 Marketing policy.

(a) Preparation. Prior to each marketing season the committee shall consider and prepare a proposed policy for the marketing of onions. In developing its marketing policy the committee shall investigate relevant supply and demand conditions for onions. In such investigations the committee shall

give appropriate consideration to the following:

- (1) Market prices for onions, including prices by variety, grade, size, and quality, and by different packs;
- (2) Supply of onions by grade, size, quality, and variety in the production area and in other onion producing sections:
- (3) The trend and level of consumer income;
- (4) Establishing and maintaining orderly marketing conditions for onions;
- (5) Orderly marketing of onions as will be in the public interest; and
  - (6) Other relevant factors.
- (b) Reports. (1) The committee shall submit a report to the Secretary setting forth the aforesaid marketing policy; and the committee shall notify producers and handlers of the contents of such report.
- (2) In the event it becomes advisable to shift from such marketing policy because of changed supply and demand conditions, the committee shall prepare an amended or revised marketing policy in accordance with the manner previously outlined. The committee shall submit a report thereon to the Secretary and notify producers and handlers of the contents of such report on the revised or amended marketing policy.

# § 958.51 Recommendations for regulations.

The committee shall recommend regulations to the Secretary whenever it finds that such regulations as provided in §958.52 will tend to effectuate the declared policy of the act. The committee also may recommend modification, suspension, or termination of any regulation, or amendments thereto, in order to facilitate the handling of onions for the purposes authorized in §958.53. The committee may also recommend amendment, modification, termination, or suspension of any regulation issued under this part.

### § 958.52 Issuance of regulations.

(a) Except as otherwise provided in this part, the Secretary shall limit the shipment of onions by any one or more of the methods hereinafter set forth